

Fraud Charged In \$1,440,000 Land Stock Sale

Bankers Sue for Recovery
of Cash Invested in Com-
pany Claiming to Own
Big Tracts in Paraguay

Defendants Well Known

Representations of Profits
and Backing Are Al-
leged To Be Untrue

A suit, based on alleged false representations in connection with the promotion of stock in an enterprise known as the International Products Corporation, was filed in the Supreme court yesterday by Richardson, Hill & Co., bankers, to recover \$1,440,000, which they allege they invested in the stock of the corporation.

The defendants, all of them prominent in the commercial and financial world, are J. Ogden Armour, Edward J. Bernwind, Minor C. Keith, Percival Farquhar, William N. Baldwin, Rodney D. Chipp, Thomas W. Streeter, George H. Olney, Joseph E. Stevens, Arthur H. Van Pelt, Philip W. Henry, George J. Baldwin and Clement E. Sullivan. The executives of the estate of Theodore N. Vail also are mentioned as defendants.

Paraguay Acres Exploited

The International Products Corporation was organized to exploit several thousand square miles in Paraguay on which it was represented, according to the plaintiffs, 5,000,000 head of cattle were to be raised. The land also was said to bear 2,000,000 tons of wood for tanning purposes. Also, according to Richardson, Hill & Co., it was represented that the company had earned \$500,000 in 1919, and that the expected profits for 1920 would be \$2,300,000. These statements regarding the affairs of the International Products Corporation were false, the plaintiffs allege, and were made for the purpose of inducing the banking firm to buy the stock and offer it for sale to their clients.

"All the individual defendants," says the complaint of Richardson, Hill & Co., "were generally reputed to be men of large pecuniary responsibility and their connection in the promotion of the defendant corporation and the sale of its stock and their presence upon the board of directors were intended to induce the public, and did induce the plaintiffs, to give full credence to the statements made by them."

Statements Called Untrue

One of the alleged false representations was that the American International Corporation, the concern that built Hog Island, had bought \$1,500,000 of the stock of the International Products Corporation and that this money had been used for the corporate purposes of the latter.

Other alleged misrepresentations cited by the plaintiff bankers concerned the physical condition and possibilities of the land in Paraguay. Another was, it is alleged, that there was available at the National City Bank of Buenos Ayres, \$300,000 for the purchase of more cattle, in addition to 18,000 said to be already on the land.

Richardson, Hill & Co. complain that upon their discovering that their investment to buy stock in the International Corporation had been brought about through untrue statements, they demanded the cancellation of the contract and the return of the purchase price. This request was refused.

Three Hurt as Fire Patrol
And Streetcar Collide

Girl Cut by Glass and Firemen
Hurled to Sidewalk at Greene
and Bloeker Streets

Miss Margaret Sullivan, twenty years old, of 420 Greenwich Street, and two men were injured last night when

Fire Patrol No. 1, driven by John Dick, of 437 De Kalb Avenue, Brooklyn, collided with a Grand Street surface car as the patrol was responding to an alarm at Bloeker and Greene streets. The driver of the patrol was unable to avoid hitting the car, which appeared just as the patrol turned into Greene Street and blocked the Grand Street crossing.

Dick, who was thrown to the street, received serious injuries, as did John Deegan, fromman, thirty years old, of 1070 Bay Street, Rosebank, S. I., who was in the driver's seat with Dick. Both men were taken to St. Vincent's Hospital. Miss Sullivan was attended by Dr. Altshul, of St. Vincent's Hospital, and taken home in a taxicab. She was cut by flying glass.

The fire patrol was in charge of Sergeant Joseph Henry, of 1113 Tompkins Avenue. The trolley car was driven by Michael McCue, of 11 Corlears Street. McCue told Patrolman Lynch, of the Charles Street station, that he had not seen or heard the patrol until it was upon him, then he sped up his car to avoid it, but it was too late.

Ten passengers were riding in the car at the time of the crash. All the glass in the streetcar was shattered. Miss Sullivan was sitting in the rear of the car, which sustained the full shock of the impact.

Harding's Rail Bill Ordered Favorably Reported to Senate

Committee Vote Is 7 to 2,
La Follette and Stanley
Opposing Measure; Its
Passage To Be Delayed

From The Tribune's Washington Bureau
WASHINGTON, Aug. 17.—By a vote of 7 to 2 the Senate Interstate Commerce Committee today ordered a favorable report on the Administration's railway credit bill. Senators La Follette, of Wisconsin, and Stanley, of Kentucky, voted against it.

Acting Chairman Townsend of the committee will report his measure to the Senate without delay, but, in view of the opposition to it, its passage will be delayed until after the recess, and the time of its enactment is uncertain. Senator La Follette indicated a purpose to oppose the bill on the floor. "You are perfecting the bill as you want it," he said to the Senators who support it. "I am not taking any part in it."

The committee adopted an amendment which strikes out a provision in the original bill that would have allowed the War Finance Corporation to employ any agents or agencies it deems necessary.

On motion of Senator Kellogg it adopted a substitute amendment amending and making more specific the provision that the operations of the War Finance Corporation with respect to purchase and sale of railroad bonds shall not interfere with its operations in farm export financing.

It is provided in another amendment adopted by the committee that any balance in the hands of the War Finance Corporation left over as the result of its operations in railway bonds shall be paid into the Treasury.

In the course of the consideration of the bill in committee Senator Kellogg announced that the War Finance Corporation is trying to form a syndicate to finance the transactions to which the railroad bill relates without using any of its own funds. Senator Townsend and others of the committee indicated they understood such a syndicate was being formed, but no details were given.

The determination was suddenly made today by House leaders to place the railroad bill on the schedule of legislation to be passed before the recess a week from today. The measure probably will be reported favorably from committee tomorrow and the present plan is to bring it up on the floor under a special rule limiting debate on next Tuesday. Chairman Samuel Wainwright of the Interstate and Foreign Commerce Committee, in charge of the bill, announced today that the hearing will close to-night.

Craig Calls On Brown to Prove Charge

(Continued from page one)

ways, in the newspapers," replied Mr. Craig.

"That is, they were in favor of it, or some of them?"

"Items were carried and interviews with people, etc., and moreover, we heard it very directly from the market by word of mouth. It was put to us very cold and very strong."

"What was the idea?" That is what I want. What was the idea?"

"The idea was to have the City of New York sell long term bonds on a high interest basis."

"Any ground given for so doing?"

"That was the ground it was put on."

"You did not think it was?"

"I did not subscribe to the view."

Senator Downing here interjected a question, "Is there any other name than the market?"

Mr. Craig's reply apparently didn't satisfy Senator Downing, and when the latter whispered across the rostrum, "Wall Street," the Comptroller promptly replied:

"It is very commonly and in proper parlance referred to as Wall Street."

Letter from Chamberlain

Mr. Brown here read a letter, the authorship of which he did not reveal. It was understood to have been written by Philip Berolzheimer, City manager. After pointing out in a general way the advisability of the city issuing long term bonds, the letter concluded: "To further defer a public sale of long term bonds is a mistake that will be entirely responsible for any disparagement of the credit of the City of New York."

Craig refused to comment on the letter, saying:

"Some of the views I might be asked to express about the views of other people might not look well in print."

It is known that the Comptroller had been active in a movement to abolish the office of the City Chamberlain.

Mr. Craig explained that he couldn't see any reason why the city should go into competition with the United States selling securities for war purposes, with foreign governments offering 8 per cent and selling at a discount, or with private interests paying high rates today. There has been no sale of long term bonds for four years, he added, and there will be none sold as long as he is in office until they can be disposed of to the city's advantage.

When Mr. Brown earlier in the session began to delve deep into the city's financial intricacies, the Comptroller once again displayed an amazing knowledge of the municipality's money affairs, reading off data of all kinds without the slightest hesitation. Occasionally he would become irritated by the persistent demands of the ex-minister for enlightenment or information, and would remark, "You'll find that on page 30 and so," or "Your investigators have had that for four months."

Aid Refused Committee

On the occasion when Mr. Brown asked the Comptroller to check up on a certain statement for him, the witness replied:

"I don't want to check up your state-

ment. We have a lot of work to do of our own."

"Don't you feel you are working for the committee?"

"No, sir, I hope not."

"I think you are," concluded Mr. Brown.

Mr. Craig was questioned on the disposition of the surplus funds accruing from revenue producing enterprises. He said that these funds often found their way into the general fund for the reduction of taxation instead of going to the reduction of other debts. "Is that sound or good finance?" asked Mr. Brown.

"Irregular and unsound," replied Mr. Craig. "It is both irregular and unsound to take the revenues received from self-sustaining properties for which debt has been incurred and apply them to the reduction of other debts."

Mr. Brown asked the witness if he had thought it worth while to make an examination of the sinking funds in view of the depreciation in securities to see how they were affected.

"As a matter of fact," asked Mr. Brown, "do you know that the securities in the sinking funds now are largely depreciated?"

"I know that there are securities," replied Mr. Craig, "of the City of New York issued at earlier days at lower rates of interest than have prevailing rates for a long time past, and manifestly the market value of these earlier issues is not as great as the market value of later issues bearing a higher rate of interest."

"Those that are acquired from the city are accredited at their face value," he said.

"Yes."

It was here revealed that the sinking funds which were created to reduce the city's debt, furnished about \$62,000,000 in 1920 to help meet the city's running expenses, which should have been taken care of through taxation.

The hearing, with the Comptroller again on the stand, will be resumed at 10:30 o'clock this morning.

Court Demands Proof for
Holding Murder Suspect

Rules Mentioning of Name in
Letter to Victim's Widow Is
Not Sufficient Reason

Anthony Cabonne, who has been in Queens jail without bail since last Saturday on the ground that he was connected with the killing of Joseph Lamonico, who was shot on the links of the Jackson Heights Golf Club, Elmhurst, L. I., demanded his liberty today, after a hearing before Magistrate Thomas F. Doyle in Long Island City police court.

Magistrate Doyle informed detectives that he would hold Cabonne until tomorrow, but no longer, unless sufficient reasons for his detention were offered.

Cabonne was arrested following the receipt of a letter by Mrs. Josephine Lamonico, widow of the slain man, in which Cabonne's name was mentioned.

Cabonne told Magistrate Doyle he did not know Lamonico and had never heard the name until arrested. The police admitted the so far no evidence connecting Cabonne with the killing had been found.

McAneny Rebukes La Guardia for His Question on Fares

Says Latter Tries to Draw
Transit Board Into Poli-
tics; Accepts Responsibility
for Construction Delay

George McAneny, chairman of the Transit Commission, wrote yesterday to F. H. La Guardia, President of the Board of Aldermen, rebuking him for his letter requesting that the commission make its stand on the five-cent fare clear, Mr. La Guardia offering, if it did so, to try to have the Board of Estimate make appropriations for the completion of rapid transit construction.

Mr. La Guardia's letter, said Mr. McAneny, sought to draw the Transit Commission into politics, and therefore his request would be ignored. The letter also, added Mr. McAneny, accepted for its writer responsibility for delay in rapid transit construction that was essential to the welfare of numerous residents of the city. Mr. McAneny's letter follows:

"I have at hand your letter of the 15th inst. advising the Transit Commission that unless you are acquainted with its conclusions in the matter of measures to be taken for the relief of the general transit situation before they are reached you will continue to do what you can, as a member of the Board of Estimate, to impede the completion of the work remaining to be done on the construction and equipment of the dual subway system. As I have previously advised you, the commission is unable to grant your request for advance information—and must ask that you refrain from repeating it. The commission is engaged upon a constructive work the details of which it expects soon to make public. It is not in politics and cannot lend its time to a futile correspondence of obviously political purpose."

"The commission is interested in the position you have taken, as a public officer, in the matter of the completion of the unfinished lines of the dual system, and upon that it is not unwilling to comment. It is utterly unable, however, to follow your reasoning. These lines, vastly important to the traveling public, are to be finished and used no matter what the conditions of their operation may be. The determination of operating plans can have, therefore, no possible bearing upon the question of their continued construction and preparedness for use. The holding up of practically every pending contract affecting the completion of the dual system, the denial to the people of many sections of the city for an indefinite period of the improved service long promised for which they have been waiting. For the consequences of these delays you are apparently willing to accept what the commission believes will prove a serious responsibility."

"The commission expects to receive in a few days, and to publish, a report of its engineers showing the exact consequences of the suspension of work your action, in part, has made necessary. As that will be comprehensive I shall not attempt to rehearse the details in this immediate word to you."

Played the Market In Prall's Name, Donahue Declares

Board of Education Head
Was Not Speculating on
Margin, Says Friend in
Affidavit at Meeting

Anning S. Prall, president of the Board of Education, referred yesterday at the opening of the meeting of the board to publicity which had been given to a suit brought against him and Lawrence Donahue by Michael Athias to recover on a note for \$5,000 and with the board's consent had the secretary read an affidavit by Mr. Donahue concerning the note.

In the affidavit, Mr. Donahue said that the note represented money he had borrowed from Mr. Prall when their business and personal relations were close. The understanding was, he said, that the note was to be paid in fifteen days. He did not do this, he said, but subsequently paid \$2,000 of the amount, receiving from Mr. Prall his additional note for \$3,000, which he intended to return to Mr. Prall after signing the affidavit.

"Much has been stated in the public print," the affidavit continued, "concerning the activities of Mr. Prall in certain stock transactions alleged to have been made on margin through the firm of Morrison & Townsend. In justice to Mr. Prall, it must be said that he was not responsible for the opening of this account. In view of the confidence mutually reposed in each other, I felt that I was privileged to open an account in his name by advancing the requisite amount of money and carrying the same along in that manner."

"This I did. The account was mine, although carried in the name of Mr. Prall. While this account was in existence all purchases and sales of stock were made by me under my personal order and direction. Mr. Prall had nothing whatsoever to do with the same."

After the affidavit had been read the board adopted its 1922 building program calling for thirty-four elementary schools, eight high schools and a vocational school at an expenditure of about \$25,000,000. It was reported that nineteen new schools would be ready next month and that twenty-seven others were in course of construction.

Harding Signs Packing Bill


WASHINGTON, Aug. 17.—The bill providing for Federal regulation of the meat packing industry has been signed by President Harding. It was announced at the White House today. Under the new law the Secretary of Agriculture receives broad powers of control and supervision of the industry.

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What Our Teeth Disclose— Startling Facts

Train the children to take milk regularly. Teach them the wonderful things that milk will do for them. Every growing child should have a quart a day.

I HAVE been reading a book by Mr. Alfred W. McCann—"The Science of Eating." I wish every father and mother in America could have a copy and read it carefully.

Mr. McCann has so dramatized the subject that you not only read with ease, but get real thrills as you go along.

The outstanding feature of the whole book is his tremendous solicitude for the health and welfare of American children. Obviously he has children of his own.

In chapter 12 on "What our Teeth Disclose," I find this observation:

"Of 1,694 children examined in six clinics, 1913, by Dr. A. Freedman Foot, eleven were found to possess normal teeth. Dr. Foot, in reporting to the Second District Dental Society of New York, declares: 'The six-year molars of nearly every child were broken down wholly or in part. In many instances the molars were decayed through the gums. So extensive and far advanced were the defects that corrective treatment, even if it were applied, would have been of little value.'"

The New York Department of Health through Dr. T. Van Wincke examining the teeth of 231,081 school children of New York City, outside the dental clinics, found 131,747 defective.

What are the future health chances of these children? Are they to be useful to society or a drag upon the race? Will we need them for war in 1925?

If they really constitute our second line of defence, what are we doing to protect that line?

Full proof is at hand establishing the incontrovertible proposition that defective teeth or sound teeth may be had at will, depending entirely upon the character of food consumed prior to and during the entire period of dentition."

You and I and the rest of us know that this "tooth question" is one that is always with us. We learn, if we take the trouble to investigate, that in some parts of the world good teeth are almost a universal heritage. We find in other parts that good teeth are so rare that their existence is a cause for comment.

When we look for a reason for this we get right back to the food habits of the various groups. We find as "sure as shooting" that the nations that have good grinders are the ones that eat the simplest foods and those richest in mineral salts.

You can't grow good teeth without the material nature requires. You can't buy this material by the pound or pint, you must extract it from your food. Each individual must do his or her own extracting.

And you must have foods that contain these materials or you can't get them.

Fortunately, milk comes to you in its natural state. It contains all the salts. It contains the whole list. It is the richest of all foods in calcium. And this same calcium is the bricks and mortar that nature provides to build good teeth.

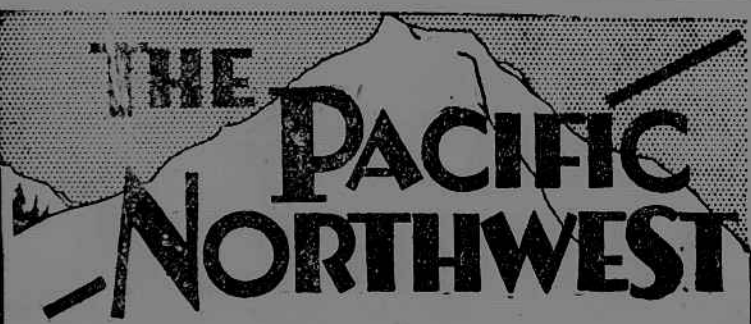
The children know nothing of this. They take what you give and do the best they can. The responsibility is yours.

I believe that milk will correct this tooth evil quicker than anything else in the world. I don't mean that you are to stop with milk. There are other things that need to be looked after. But start with milk.

I would like you to read Mr. McCann's book. You will thank me for this suggestion.

LOTION HORTON, President.

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BATTEN

"Yes, I've heard of him"

A MAN's name is mentioned and you say, "Yes, I've heard of him."

Later on you are introduced, and the next time he is mentioned you remark, "I've met him."

After a bit, you are able to say, "I know him."

You'll find he wears well and before long you say, "He's a friend of mine."

Many times you have gone through those stages that lead into friendship with people. And many times you have unconsciously gone through the same stages with inanimate objects.

The name of some article is mentioned and because you have seen it advertised you realize that you have "heard of it" somewhere. Then you try it, grow familiar with it, and soon its use becomes a fixed habit.

It is human nature to prefer the known to the unknown. To damn a thing, all you have to say is "I never heard of it!"

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